

COUNCIL ON FOREIGN ECONOMIC POLICY
THE WHITE HOUSE
Washington

MINUTES (First Draft)

87th MEETING - APRIL 2, 1959
Room 213 - Executive Office Building

Present:

Clarence B. Randall, Special Assistant to the President - Chairman
C. Douglas Dillon, Under Secretary of State for Economic Affairs
Frederick H. Mueller, Under Secretary of Commerce
Julian B. Baird, Under Secretary of the Treasury
True D. Morse, Under Secretary of Agriculture
Arthur S. Flemming, Secretary, Health Education and Welfare
Ralph W. E. Reid, Assistant Director, Bureau of the Budget
John S. Patterson, Assistant Director, Office of Civil and Defense
Mobilization
Karl Brandt, Member, Council of Economic Advisers
Gordon Gray, Special Assistant to the President for National
Security Affairs
Karl G. Harr, Jr., Special Assistant to the President
Phillip Areeda, Assistant Special Counsel to the President
Wayne B. Warrington, Assistant to Administrative Assistant to
the President
Robert H. Knight, Deputy Assistant Secretary of Defense
Fred G. Aandahl, Assistant Secretary of the Interior
George C. Lodge, Assistant Secretary of Labor
Robert Amory, Deputy Director (Intelligence), Central Intelligence
Agency
Lynn U. Stambaugh, First Vice President and Vice Chairman,
Export-Import Bank
Robert Cushman, Executive Assistant to the Vice President
John F. Cushman, Acting Executive Assistant to the Attorney
General
Paul H. Cullen, Secretary, Council on Foreign Economic Policy
and their assistants

I. The Council on Foreign Economic Policy approved the minutes of
February 5, 1959.

II. CFEP 579 - Economic Defense Policy

1. The Council on Foreign Economic Policy considered the report
and recommendations submitted by the CFEP Committee chaired by Under
Secretary of Commerce Mueller, concerning (a) the effectiveness of the
implementation of existing U. S. policy on trade with the Soviet Bloc;

and (b) the terms of reference for a study by an outside agency on the advantages and disadvantages to be derived by the United States from peaceful trade with the Soviet bloc (See CFEP 579/3 and CFEP 579/4). This report was submitted pursuant to CFEP action of January 22, 1959.

2. The CFEP Committee concluded that the current economic defense policy has, on the whole, been appropriately implemented. The Committee was unable to reach agreement as to the desirability or necessity for making a study concerning the advantages and disadvantages of peaceful trade with the Soviet bloc.

3. The CFEP reached the following consensus:

a. That the current U. S. Economic Defense Policy (NSC 5704/3) has, on the whole, been appropriately implemented.

b. That no recommendation should be submitted to the National Security Council at this time for changing the current U. S. Economic Defense Policy (NSC 5704/3).

c. That the CFEP should not at this time sponsor a study by an outside agency concerning the advantages and disadvantages of peaceful trade with the Soviet bloc.

d. That the CFEP would consider forthwith any studies and recommendations concerning the U. S. Economic Defense Policy when and if submitted by interested agencies of the Government.